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ORDINANCE _____

AN ORDINANCE declaring the former Fire Station 38 surplus to the City's needs, and authorizing the Director of the Department of Finance and Administrative Services to sell the site and building through an open competitive process.

WHEREAS, the Fire Facilities and Emergency Response Levy Program ("Fire Facilities Program"), proposed under Ordinance 121230, was approved by Seattle voters on November 4, 2003; and

WHEREAS, the Fire Facilities Program included funds for a new facility for Fire Station 38, which is now occupied, and neither the Seattle Fire Department nor the Department of Finance and Administrative Services (FAS) have current or future needs for the former Fire Station 38 ("former facility"); and

WHEREAS, the funding plan for the Fire Facilities Program assumed that revenues from sales of surplus fire facilities would be deposited back into that program; and

WHEREAS, by Resolution 30862, the City adopted amended Procedures for the Evaluation of the Reuse and Disposal of the City's Real Property, ("Procedures"), which established a uniform evaluation process for the reuse or disposal of real property the City owns in fee simple, including certain public notice and involvement procedures for decisions classified as complex; and

WHEREAS, no other City department or other government agencies requested jurisdiction over, or proposed a public use for this former facility; and

WHEREAS, the zoning and historic designation of this former facility significantly limits the development potential and re-use possibilities; and

WHEREAS, the public comments received by the Department of Finance and Administrative Services through its public notification and comment solicitation process generally support that there is limited redevelopment potential of this former facility for another public use and support the sale of this former facility; and

WHEREAS, in view of the consistency of public comments with a public sale, the Executive proposes streamlining the disposition process, has included this streamlined approach in the Public Involvement Plan, which is included in Clerk File 311622, and has brought this legislation authorizing the sale of this former facility; and

WHEREAS, public comments received as a result of circulating the Public Involvement Plan to interested neighbors and the community, signs posted at this former facility and related print and video media coverage, continue to support the sale of this former facility; and



1 WHEREAS, Section 5.H of the Procedures recognizes the City Council may approve
2 alternative procedures for the reuse or disposal evaluation process for specific
3 properties, and that such alternative procedures do not set precedent for subsequent
dispositions; and

4 WHEREAS, it is in the interest of the City and the general public to sell this former facility
5 rapidly to avoid negative impacts on neighborhoods from vacant properties;

6 NOW, THEREFORE,

7 **BE IT ORDAINED BY THE CITY OF SEATTLE AS FOLLOWS:**

8 Section 1. The City of Seattle approves the steps taken as documented in the Public
9 Involvement Section of the Final Report, which is included in Clerk File 311622, for the
10 following described property in King County, Washington:

11 PMA No. 135 (former Fire Station #38):

12 Lots 14-15, Block 8, University View Addition to the City of Seattle, according to the
13 Plat thereof, recorded in Volume 13 of Plats, page 96, records of King County,
14 Washington.

15
16 as the alternate procedure to evaluate and dispose of the former facility pursuant to Section 5.H
17 of the Procedures adopted as amended by Resolution 30862.

18 Section 2. The property identified in Section 1 is hereby found and declared to be no
19 longer required for municipal purposes and is hereby declared surplus to the City's needs.

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21 Section 3. The Director of the Department of Finance and Administrative Services or his
22 designee is authorized to offer the property identified in Section 1 for sale by a competitive
23 process, and subject to the Director's approval, to accept the best offer for the property.
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1 Section 4. The Director of the Department of Finance and Administrative Services or his
2 designee is authorized to negotiate a purchase and sale agreement or agreements and any
3 ancillary documents to transfer the property to the selected purchaser or purchasers.

4 Section 5. Proceeds from the sales authorized herein shall be used first to reimburse costs
5 incurred and paid by the Department of Finance and Administrative Services in connection with
6 the sale. The remaining proceeds shall be deposited in the 2003 Fire Facilities Subfund (34440).
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8 Section 6. Pending disposition, FAS may authorize short-term uses not to exceed six
9 months in length unless terminable upon 90 days notice.
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11 Section 7. This ordinance shall take effect and be in force 30 days after its approval by
12 the Mayor, but if not approved and returned by the Mayor within ten days after presentation, it
13 shall take effect as provided by Seattle Municipal Code Section 1.04.020.
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3 Passed by the City Council the ____ day of _____, 2011, and
4 signed by me in open session in authentication of its passage this ____ day of
5 _____, 2011.

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7 _____
8 President _____ of the City Council

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10 Approved by me this ____ day of _____, 2011.

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12 _____
13 Michael McGinn, Mayor

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15 Filed by me this ____ day of _____, 2011.

16
17 _____
18 Monica Martinez Simmons, City Clerk

19 (Seal)



FISCAL NOTE FOR NON-CAPITAL PROJECTS

Department:	Contact Person/Phone:	CBO Analyst/Phone:
Finance and Administrative Services (FAS) City Council	Hillary Hamilton / 684-0421 Michael Jenkins / 615-1674	Jennifer Devore / 615-1328

Legislation Title:

AN ORDINANCE declaring the former Fire Station 38 surplus to the City's needs, and authorizing the Director of the Department of Finance and Administrative Services to sell the site and building through an open competitive process.

Summary of the Legislation:

The legislation declares Fire Station 38 in West Seattle as surplus to the needs of the City. The Director of Finance and Administrative Services is authorized to sell the property using a competitive process, and to carry out necessary negotiations to complete the transaction.

Background:

Clerk File 311622 provides extensive background and analysis of reuse and disposition alternatives for both Fire Station 37 and 38. The sale of Fire Station 37 will be addressed under separate legislation.

The Fire Facilities and Emergency Response Levy Program ("Fire Facilities Program"), proposed under Ordinance 121230, was approved by Seattle voters on November 4, 2003. Passage of the Levy enabled the construction of a new facility for Fire Station 38 in the Ravenna/Bryant neighborhood. The new station is now operational, and firefighters have moved out of the old building. In addition, the funding plan for the Fire Facilities Program included revenues from sales of property no longer required for operations of the Seattle Fire Department.

Following the Procedures for the Evaluation of the Reuse and Disposal of the City's Real Property (as amended by Resolution 30862), the Department of Finance and Administrative Services (FAS) circulated notice of the availability of the former Fire Station 38 to other City departments and government agencies. No proposed uses were put forward by other City departments, and Disposition policies and procedures call for City property to be sold if no current or future City use has been identified.

FAS also contacted neighbors of Fire Station 38 and local community groups regarding potential reuse and disposition of the building and site. No specific reuse proposals were identified. In addition, zoning and the designation of Fire Station 38 as a City of Seattle Landmark limits the development potential and re-use possibilities for the site other than for residential use. Clerk File 311622, which contains the Final Reports for two stations – Fire Station 37 and 38, provides details concerning the highest and best use for both properties as well as the reuse proposals and



other input received from the community. Given land use constraints on Fire Station 38, and that the funding plan for the Fire Facilities Program included revenues from sale of the property no longer required for Seattle Fire Department operations, FAS recommends Fire Station 38 be sold through a competitive process. Fire Station 38 would likely be purchased for single-family use.

FAS has complied with procedures for public involvement. The Preliminary Reports for Fire Station 38 were sent to the City's contact list, and signs were posted at the property. Following a 30-day comment period, the Final Report for Fire Station 38 was published and subsequently approved by the Real Estate Oversight Committee. Approval of a Public Outreach Plan was given by the Council's Finance and Budget Committee at its June 21, 2011 committee meeting. Public notice was provided as legislation was forwarded to the City Council, and there will be a minimum 14-day notice prior to the Council's public hearing on the proposed sale.

The legislation authorizes the Director of FAS to offer the property for sale by competitive process and to accept the best offer for the property, subject to his approval. The Director is also authorized to negotiate a purchase and sale agreement and any ancillary documents to transfer the property to the selected purchaser.

Please check one of the following:

☐ **This legislation does not have any financial implications.**
(Stop here and delete the remainder of this document prior to saving and printing.)

☒ **This legislation has financial implications.** (Please complete all relevant sections that follow.)

Appropriations: N/A

Appropriations Notes: The purpose of the legislation is to sell city real property. No appropriation is required.

Anticipated Revenue/Reimbursement: Resulting from this Legislation:

Fund Name and Number	Departments	Revenue Source	2011 Revenue	2012 Revenue
2003 Fire Facilities Subfund (34440)	FAS	Net Proceeds from the sale of Fire Station 38		\$600,000 est.
TOTAL				\$600,000 est.

Revenue/Reimbursement Notes: The revenue estimate is based on in-house analysis of the current real estate market. As described in Clerk File 311622, Fire Station 38 is a City of Seattle landmark. While zoning and landmark status limits development potential, the site has unique appeal to potential buyers. Therefore, it is difficult to forecast the likely sale price. The legislation authorizes FAS to utilize a competitive sales process. FAS anticipates hiring a real estate broker to market the property. An open, competitive process allowing enough time for potential buyers to consider the property will support the City getting the best available value for



the property while avoiding the risks associated with retaining vacant property in the City's portfolio.

Any costs associated with the sale of the property may be reimbursed from sales proceeds. The estimate of \$600,000 for the sale of the property is net of expenses associated with the sale.

Total Regular Positions Created, Modified, or Abrogated through this Legislation, Including FTE Impact: N/A

Spending/Cash Flow: N/A

What is the financial cost of not implementing the legislation?

The funding plan for the Fire Facilities Program includes revenues from sales of property no longer required for operations of the Seattle Fire Department. If the legislation were not implemented, funds to complete other projects in the Fire Facilities Program would need to be identified from other sources.

If the legislation was not implemented the City would incur additional security costs to maintain a vacant building, and potentially face cleanup costs for graffiti and/or illegal dumping. While hard to quantify, vacant buildings can be a detriment to the vitality of a neighborhood and potentially harm property values in the community.

Does this legislation affect any departments besides the originating department?

FAS is originating this legislation and will facilitate the disposition of this fire station. Proceeds from the sale of this fire station will be returned to the Fire Facilities Program on behalf of the Seattle Fire Department. Neither the Fire Department nor any other City department identified a future use for this property.

What are the possible alternatives to the legislation that could achieve the same or similar objectives? None.

Is the legislation subject to public hearing requirements?

Disposition policies and procedures specify that the City Council generally should hold a public hearing on the sale of complex properties. The sale of Fire Station 38 is classified as complex. FAS will assist with the 14-day notification requirements for the public hearing(s) as legislation is scheduled for hearing at the Council.

Other Issues: None

List attachments to the fiscal note below:



